5/12/78 [1]

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	\$ DATE;	RESTRICTION
Memo	Brzezinski to Brown, 1 pg., re: Taiwan	c. 5/12/78	A
	SANITI 250 8/13/23		(A)
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FILE LOCATION			*

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File 5/12/78 [1] Box 85

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
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washington
May 12, 1978

Zbig Brezinski

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Hamilton Jordan

RE: TAIWAN TROOP DRAWDOWNS

SECRET

THE WHITE HOUSE WASHINGTON

GDS -SECRET

May 11, 1978

SECRET

3619 - 2800

S this a recommendation from DoD

1 State?

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Taiwan Troop Drawdowns

On February 28 you decided to defer on further Taiwan troop drawdowns until after the Panama vote out of concern that resumption of the drawdowns might have cost votes on the Hill.

Last November you instructed Woodcock to inform the Chinese that we would be resuming our drawdowns, which we are committed -to do under the Shanghai Communique. ("We will progressively reduce our forces and military installations on Taiwan as tension in this area diminishes, with the ultimate objective of

In view of this commitment and my forthcoming trip, I recommend resumption of the drawdowns.

withdrawing all U.S. forces and military installations.") (S)

DOD and State have presented a plan to reduce forces to 660 by October 1, 1978. The reductions will be primarily in the support and auxiliary areas. Both DOD and State feel these reductions will not imperil Taiwan's security.

At present, there are 1125 DOD personnel on Taiwan. The total to be left after October 1 will be 780: the 660 ceiling plus 120 who are exempt from the ceiling. Hence, the drawdown envisions a 345 person reduction in the next four months. (S)

RECOMMENDATION:

That you instruct me to inform DOD of the lowered ceiling, as per the memorandum at Tab A.

8	D:	.* .
Approve	Disapprove	•

2 6/28/90 SECT

(S)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo:	Brzezinski to Brown, 1 pg., re: Taiwan	c. 5/12/78	A

FILE LOCATION CONTROL PROPERS - Staff Offices, Office of Staff Sec. - Presidential Handwriting File 5/12/78 [1] Box 85

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SECRET GDS

MEMORANDUM FOR

THE SECRETARY OF DEFENSE

SUBJECT:

Resumption of DOD Personnel Drawdowns on Taiwan

The President has instructed that the ceiling for DOD military and civilian personnel on Taiwan

be lowered

to 660 by October 1, 1978. (S)

The Department of Defense should keep the American Ambassador in Taipei informed of plans for the implementation of these reductions and should provide the NSC on July 1, 1978 and October 1, 1978 reports on the number of DOD personnel, by unit, on Taiwan, including those exempted from the ceiling.

Zbigniew Brzezinski

-SECRET -CDS-

PER 3 3 43 N/C Hype MP - N/C-92-24 BY NARS. DATE 112143

THE PRESIDENT'S SCHEDULE

Friday - May 12, 1978

7:30	
(90	min.)

Breakfast With Vice President Walter F. Mondale, Secretary Cyrus Vance, Dr. Zbigniew Brzezinski, and Mr. Hamilton Jordan. The Roosevelt Room.

9:00

Dr. Zbigniew Brzezinski - The Oval Office.

Mr. Frank Moore - The Oval Office.

10:30

Mr. Jody Powell - The Oval Office.

11:00

Mr. Charles Schultze - The Oval Office.

12:00

Lunch with Senator Gary W. Hart - Oval Office.

1:00

(30 min.)

Meeting with Editors. (Mr. Jody Powell). The Cabinet Room.

Afternoon: Depart for Camp David.

33

May 12, 1978

Jack Watson Jim McIntyre

> The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

> > Rick Hutcheson

cc: Stu Eizenstat Hamilton Jordan Hugh Carter Richard Harden

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	VICE PRESIDENT
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	LIPSHUTZ
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	BRZEZINSKI
	MCINTYRE
	SCHULTZE

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CC: To J. Warforn & J. Mis Intyre.

I want a small clean

THE WHITE HOUSE & Clear assignment of

WASHINGTON personnel under Jack

for Continue what he is

doing now and b) to

Coordinat Urban Policy

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MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson A

together, expedite, & for May 2, 1978 see me re

Implementation of the Inter-Agency recommendation

RE:

Coordinating Council

At the end of our conversation last Thursday, you asked me to give you a memorandum on staffing alternatives and a draft Executive Order for the Inter-Agency Coordinating Council. This is in response to that request.

Executive Order

The attached draft of an Executive Order has not yet been circulated to the agencies for comment, although it does reflect a great deal of discussion with the assistant secretaries and others who will be principally involved in the Council's activities. I thought it would be best to get your reaction to the draft Order before circulating it to insure that it reflects the basic purpose and thrust you have in mind for the Council. it does, we can expedite its circulation and approval among all of the relevant agencies.

Although the proposed membership of the Council includes thirteen domestic departments/agencies, there is general agreement that an executive committee would be created which would include six or seven of the key assistant secretaries and which would meet regularly (perhaps every other week) to set the agenda for the Council's activities and to insure that the work is getting done.

Staffing

We have identified basically three options for providing the necessary staff support to the Council. Based on my discussions with the assistant secretaries and

others who will be primarily involved in the Council's activities, we propose a staff of six additional professionals and three clerical. The six professionals would be assigned to major functional subject areas which cut across agency lines so that we could track program operations functionally rather than purely departmentally. Although there are numerous ways to define the functions, the following six are what I have in mind:

- CSA's Community Development Corporations, etc.);
- Community development (including primarily the Community Development Block Grant program and all of the housing programs in HUD);
- Human resources (including HEW, Community Services Administration, LEAA, etc.);
- Physical facilities (including transportation, water and sewer, location of federal government buildings, etc.);
- Energy/environment (including energy impact, air quality, parks and recreation, neighborhood organizations, volunteers, etc.);
- Manpower

Since the core staff would be so small, it would be possible to work as a very tight unit, fashioning interlocking approaches to problems which cross functional lines, as well as departmental lines.

Each of the following three options has practical and political implications, the most important of which I try to point out.

Option I: Create a separate "program coordination staff" unit in the EOP

This option would establish a clearly identifiable Executive Office unit which would, in effect, be a "coordination and implementation" staff to complement the domestic policy staff, (the focus of Stu's staff being coordination of policy formulation; the focus of the other staff being coordination of program execution). Although it is the most

logical, efficient, and straightforward approach to the staffing of the Council, it does pose some problems because of Reorganization Plan I. The principal advantages and disadvantages of this option are as follows:

Pro

- organizational affirmation of your commitment to improve the coordination and operation of programs across agency lines. It would also underscore (both to the "public" and to the departments) the seriousness of your intention to "make government work better" and to bring more discipline and focus to the Administration's urban policy execution.
- o It would not be subject to the allegation that you were expanding the White House or EOP staff with detailees, or through other indirect means (presented in Option II and III), for an effort which is obviously intended to be long-range.
- Option I would reinforce the public perception (following Camp David) that you are undertaking specific steps to increase the effectiveness of the Administration's operation.

Con

- Since we have already implemented Reorganization Plan I for the White House/EOP, Option I would require us to send up another Plan to amend what is now in effect. In addition, the present authorization bill for the White House would have to be amended in the Senate).
 - Option I would add another box to the Organizational Chart of the EOP after we have made an issue of reducing the number of such units.

Option II: Detail departmental positions to the White House

The use of detailees is somewhat complicated by the White House policy (which is also reflected in the authorization bill passed in the House) requiring White House reimbursement to the agencies for the detailees' salaries after six months of assignment. Since this is a long-term effort, these individuals would clearly have to be on a long-term detail in order for them to be effective.

Pro

- Option II would not increase the number of White House staff or require any Congressional approval (unless there is not enough money in the White House budget for reimbursement, in which case it would be necessary to seek an increased appropriation).
- It would be perfectly "consistent" with Cabinet government in that the departments would, in effect, be detailing an employee slot to the White House for the sake of inter-agency cooperation.

Con

- Detailees are intended to be used for shortterm projects with a finite life span.
- Option II could be viewed by some as a subterfuge for increasing the White House staff without saying so. (The House-passed authorization bill requires regular reports of detailees and their salaries.)

Some have suggested that the staff for the Council might be detailed, not to the White House, but to the Council itself. This approach appears to be prohibited by Section 608 of the FY 78 appropriations bill concerning the Executive Branch in general. That section prohibits use of funds to "finance interdepartmental boards, commissions, councils, ...which do not have prior specific Congressional approval of such methods of financial support." The detailing of a staff position by an agency to the Council could be interpreted to constitute the "financing" of an interdepartmental body.

Option III: Shift my clerical/support staff to the Office of Administration in the EOP, thereby creating the necessary additional professional slots for my White House staff

Under this option, I would transfer my clerical/support positions to the Office of Administration and then fill those slots with professional people. The three additional clericals would also be added to the OA payroll.

Pro

- o It would not increase White House staff numbers.
- o It would not be subject to the criticisms regarding use of detailees.
- o It is consistent with the concept underlying the creation of the Office of Administration in that OA was

Con

- Option III might require an additional Congressional appropriation for the Office of Administration in order to cover the increased salary costs.
- It would <u>not</u> provide the visible and dramatic demonstration of commitment on your part to

created for the purpose of providing overall administrative support to the White House staff. improve the implementation of programs that Option I would provide.

 It would be the easiest and quickest option to implement.

RECOMMENDATION

All things considered and despite the fact that the strongest case purely on the merits can be made for Option I, I recommend Option III.

Decision					
Option I					
Option II	·				
Option III					
Other					

WASHINGTON

EXECUTIVE ORDER ESTABLISHING THE INTERAGENCY COORDINATING COUNCIL

By virtue of the authority vested in me by the Constitution and statutes of the United States, and as President of the United States, in order to provide for better coordination and implementation of federal programs, it is hereby ordered as follows:

Section 1. Establishment of the Council.

- (a) There is hereby established the Interagency Coordinating Council (hereafter referred to as "the Council").
- (b) The President shall designate the Chairman of the Council, who shall preside over its meetings and its activities and be responsible for ensuring that its mandate is carried out to the fullest extent possible.
- (c) The Council shall be composed of designated officials from each of the following departments and agencies:

Department of Justice

Department of Interior

Department of Agriculture

Department of Commerce

Department of Labor

Department of Health, Education and Welfare

Department of Housing and Urban Development

Department of Energy

Department of Transportation

General Services Administration

Environmental Protection Agency

Community Services Administration

ACTION

Small Business Administration

and such other departments, agencies, and offices as the President may from time to time direct.

Section 2. Function of the Council.

The Council shall be responsible for ensuring that departments and agencies implement federal policy decisions and programs in a coordinated, effective and sensible manner in order to bring greater economic and social stability and health to our nation's communities. In carrying out this responsibility the Council shall:

- (1) Seek to involve all sectors of the nation, including State and local governments, regional bodies, the private sector, neighborhood groups and volunteers in a new partnership to conserve and strengthen America's communities.
- (2) Coordinate federal programs to alleviate obstacles to efficient delivery of services.
- (3) Encourage and assist in facilitating maximum cooperation and coordination among and between federal departments and agencies; and between and among such departments and agencies, and State and local governments, the private sector, neighborhood groups and volunteers.
- (4) Serve as the focal point of efforts by federal departments, agencies and other federal entities to resolve specific difficulties that arise in their attempts to implement national policies and programs.
- (5) Assist in providing a coordinated and timely federal response to those States and local governments which present coordinated strategies for the development of that State and/or locality.
- (6) Assist in identifying recurring inter-departmental, inter-agency and intergovernmental problems which are susceptible to solutions by long range management reforms and/or reorganization. Such issues shall be referred by the Chairman to the Office of Management and Budget for appropriate action.

Section 3. Administrative Arrangements.

(a) All federal departments, agencies, offices and programs shall provide full cooperation and assistance to the Chairman of the Council in fulfilling its mandate.

- (b) The head of each federal department and agency, in response to a request by the Chairman, shall assign a major program operating official(s) as a member of the Council.
- (c) All federal departments and agencies shall provide the Council with support necessary to carry out the mandate of the Council.
- (d) The Chairman shall determine the process for Council deliberation and shall establish, as necessary, smaller working groups of its membership.
- (e) The Chairman shall provide the President with regular reports on the functioning of the Council.

WASHINGTON

May 10, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Watson Memo on Inter-Agency Coordinating

Council

I have two principal concerns about Jack's memo on the Inter-Agency Coordinating Council: (1) the scope of the Council's responsibilities and (2) the recommended means of staffing that Council:

(1) The Council was originally proposed to you as a means of ensuring proper implementation of the urban policy. It was to be a visible sign of your commitment to follow-through on the goals and programs of the urban policy. It was on that basis that I thought you had approved the Council concept.

The recommendation that Jack has now made appears to widen the functions of the Council, and thereby diffuse its ability to achieve the intended mission. In fact, I understand it would fold in the functions of an existing rural policy group. The proposed Executive Order seems to indicate that the Council will be concerned with the implementation of all Federal policy. I think that such a role for the Council is more than can properly be undertaken at this time, given the limited resources available and the enormous demands of the urban policy.

Perhaps, once the Council has been well-established, and has largely fulfilled its urban policy mission, the Council's implementation jurisdiction might be expanded to one or two other areas in serious need of follow-through. Now, the Council should concentrate on urban policy.

(2) I disagree strongly with either option 1 or option 3 (which Jack recommends.) Either option should be rejected because:

- -- The size of the EOP staff under either option would effectively be increased (since under option 3 the secretaries would continue to work for Jack).
- -- Option 3 opens us up to the criticism already made by some that the White House/EOP Reorganization was "done with mirrors" and this kind of bookkeeping on staff ceilings will help those arguments.
- -- An increase in slots for the Office of Administration would have to be secured from Congress at a delicate time in the White House authorization-appropriations process.

My alternative is as follows:

- -- Detail staff on a permanent basis from agencies to the Coordinating Council -- and comply with Section 608 of the FY '78 Executive Branch appropriation by seeking Congressional approval (no extra funds) in a rider to a supplemental appropriations bill.
- -- While Congressional approval is pending, temporarily detail agency positions to Jack's staff. If no approval is forthcoming, these people, whom Jack could select in each agency, could be available to assist him, although paid by the agency.

This is a straightforward approach which permits Jack to get started immediately but eliminates need for increases in White House staff or fancy bookkeeping.

(3) I hope Jack can get someone like Mayor Landrieu or Professor Charles Haar to work on his staff as the Staff Director of this important Council.



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAY 10 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

James T. McIntyre, Jr.

SUBJECT:

Implementation of the Interagency Coordinating

Council

We have reviewed Jack's May 2 memo on staffing arrangements for the Interagency Coordinating Council and have the following comments:

- We would like to review an assessment of staffing needs and costs involved before commenting on whether six professionals and three clericals are needed.
- We prefer an option not listed; namely, increasing the White House staff. While this option does have obvious costs in terms of raising the White House personnel level, it is preferred because (1) it is not advisable to reopen on the Hill the EOP reorganization, as is required by Option 1; (2) close congressional, and especially GAO, scrutiny of White House use of detailees creates serious problems with Option 2; and (3) the "shell game" aspects of Option 3 create at least the appearance of subterfuge even though none may be intended.

Our past strong adherence to the 351 White House ceiling has assumed that significant new functions are not involved. However, now that Jack does have a new responsibility assigned to him--a fact well known by the public and the Congress--we believe it preferable to take a straightforward approach to the new staffing required by placing them where the new responsibility exists.

- Another possible alternative which has not been explored is to have agency personnel (remaining in the agencies) provide staff work for the Council at Jack's direction. While we question the practicality of such an arrangement and doubt that it could completely replace the need for some White House or EOP personnel, it ought to be brought to your attention. Additionally, we note that legally, while agency personnel are able to staff the Council as representatives of their agencies, they cannot serve as direct staff for Jack without being detailed.
- With respect to the draft executive order, we believe that the language which spells out the functions of the Council is too broad. Clearly, functions (5 and 6) are appropriate for the Council, but we have serious concerns regarding the broad nature of the others. More specific comments and proposals for language changes in the draft will be conveyed directly to Jack.

WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

HUGH CARTER

SUBJECT:

Implementation of Interagency Coordination

Council - Watson Memo of 5/2/78

I am not clear from Jack's memo what this Interagency Coordinating Council is to do. Will it coordinate implementation of only Urban policy, or implementation of all domestic policy too large and complex to be handled by one department?

Jack has presented three alternatives to implement this action:

- (1) Create a separate "program coordination staff" unit in the EOP.
- (2) Detail departmental positions to the White House.
- (3) Shift clerical support to OA to make room on the White House staff for professionals.

Of the three, Option 1 is the cleanest, most straightforward, and most reasonable budget-wise. The other two look like, and are, subterfuges to increase the White House staff, and call for expenditures which the White House budget does not have the funds to support.

One other possible approach not mentioned in Jack's memo, and probably the most viable approach from a management point of view, would be to have OMB assume the function. It could be a new division, or part of an existing division, such as Intergovernmental Relations and Regional Operations Division which could coordinate implementation and control the budget aspects at the same time.

My first choice is setting it up in OMB. My second choice is Jack's Option 1. I do not feel the other two options should even be considered for the reasons stated above.

WASHINGTON

May 4, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

RICHARD HARDEN

SUBJECT:

Watson Memo Re Implementation of the Inter-Agency Coordinating Council

Short

In regard to the proposal made by Jack, I offer the following comments:

- 1. I am in basic agreement that there is a need for a group of individuals to focus on the problem of implementation and evaluation. I recommended this during the EOP study last year.
 - 2. However, I don't see the need to create another Council. The reorganization study recommended that the Domestic Policy Council and the Economic Policy Group be scrapped because they were ineffective. I have the same general feeling about the Council being proposed.
 - 3. Instead of a Council, I would suggest that a unit similar to the Domestic Policy Staff be set up as a separate EOP agency. It might be called something like the Domestic Implementation and Evaluation Staff.
 - 4. While I don't mind helping Jack out in the short run, I think it would create some problems with Congress were Jack's clerical staff to be a part of the Office of Administration on a permanent basis.
 - 5. Based on recent discussions, we now seem to have Jack Watson, Anne Wexler, Tim Kraft, Hamilton Jordan, Stu Eizenstat, and Frank Moore all "coordinating with the agencies." Before we set up a group such as the one proposed by Jack, I think we need to spend a little time deciding who is coordinating what. For example, I am not quite sure where you make the break between policy formulation, legislative development, and program execution. I would suggest that you consider putting somebody on Hamilton's staff who would be responsible for "coordinating" the "coordinators."

BOB LIPSHUTZ: recommends Option 1, but suggests that you defer any judgment on the Executive Order Jack has drafted until it goes through normal OMB/Justice clearance.

HAMILTON JORDAN: had no comment

THE

WASHINGTON

DATE:

02 MAY 78

FOR ACTION: STU EIZENSTAT

HAMILTON JORDAN

BOB LIPSHUTZ

HUGH CARTER

RICHARD HARDEN

INFO ONLY: THE VICE PRESIDENT

JODY POWELL

SUBJECT: WATSON MEMO RE IMPLEMENTATION OF INTERAGENCY COORDINATION

COUNCIL -- ADMINISTRATIVELY CONFIDENTIAL

+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

ACTION REQUESTED:

(X) NO COMMENT. () HOLD. STAFF RESPONSE: () I CONCUR.

PLEASE NOTE OTHER COMMENTS BELOW:

WASHINGTON

DATE: 02 MAY 78

FOR ACTION: STU EIZENSTAT

BU BOB LIPSHUTZ affarty RICHARD HARDEN affantif HAMILTON JORDAN

HUGH CARTER ablacked

for + Mon

Sun Mox - Wed Me

INFO ONLY: THE VICE PRESIDENT

JODY POWELL

SUBJECT: WATSON MEMO RE IMPLEMENTATION OF INTERAGENCY COORDINATION

COUNCIL -- ADMINISTRATIVELY CONFIDENTIAL

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

BY: 11:00 AM Widay 05 May 1978

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

WASHINGTON

DATE:

* 02 MAY 78

FOR ACTION: STU EIZENSTAT

HAMILTON JORDAN

BOB LIPSHUTZ

HUGH CARTER

RICHARD HARDEN

INFO ONLY: THE VICE PRESIDENT

JODY POWELL

SUBJECT:

WATSON MEMO RE IMPLEMENTATION OF INTERAGENCY COORDINATION

COUNCIL -- ADMINISTRATIVELY CONFIDENTIAL

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

11AM - May 5

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

MEMORANDUM TO: THE PRESIDENT

FROM: Jack Watson A

May 2, 1978

RE: Implementation of the Inter-Agency

Coordinating Council

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- Detailees are intended to be used for shortterm projects with a finite life span.
- Option II could be viewed by some as a subterfuge for increasing the White House staff without saying so. (The House-passed authorization bill requires regular reports of detailees and their salaries.)

Some have suggested that the staff for the Council might be detailed, not to the White House, but to the Council itself. This approach appears to be prohibited by Section 608 of the FY 78 appropriations bill concerning the Executive Branch in general. That section prohibits use of funds to "finance interdepartmental boards, commissions, councils, ...which do not have prior specific Congressional approval of such methods of financial support." The detailing of a staff position by an agency to the Council could be interpreted to constitute the "financing" of an interdepartmental body.

Option III: Shift my clerical/support staff to the Office of Administration in the EOP, thereby creating the necessary additional professional slots for my White House staff

Under this option, I would transfer my clerical/support positions to the Office of Administration and then fill those slots with professional people. The three additional clericals would also be added to the OA payroll.

Pro

- It would not increase White House staff numbers.
- It would not be subject to the criticisms regarding use of detailees.
- or It is consistent with the concept underlying the creation of the Office of Administration in that OA was

Con

- Option III might require an additional Congressional appropriation for the Office of Administration in order to cover the increased salary costs.
- It would <u>not</u> provide the visible and dramatic demonstration of commitment on your part to

created for the purpose of providing overall administrative support to the White House staff.

 It would be the easiest and quickest option to implement. improve the implementation
of programs that Option I
would provide.

RECOMMENDATION

All things considered and despite the fact that the strongest case purely on the merits can be made for Option I, I recommend Option III.

Decision	e de la companya de l
Option I	
Option II	
Option III	·
Other	

WASHINGTON

EXECUTIVE ORDER ESTABLISHING THE INTERAGENCY COORDINATING COUNCIL

By virtue of the authority vested in me by the Constitution and statutes of the United States, and as President of the United States, in order to provide for better coordination and implementation of federal programs, it is hereby ordered as follows:

Section 1. Establishment of the Council.

- (a) There is hereby established the Interagency Coordinating Council (hereafter referred to as "the Council").
- (b) The President shall designate the Chairman of the Council, who shall preside over its meetings and its activities and be responsible for ensuring that its mandate is carried out to the fullest extent possible.
- (c) The Council shall be composed of designated officials from each of the following departments and agencies:

Department of Justice
Department of Interior
Department of Agriculture
Department of Commerce
Department of Labor
Department of Health, Education and Welfare
Department of Housing and Urban Development
Department of Energy
Department of Transportation
General Services Administration
Environmental Protection Agency
Community Services Administration
ACTION
Small Business Administration

and such other departments, agencies, and offices as the President may from time to time direct.

Section 2. Function of the Council.

The Council shall be responsible for ensuring that departments and agencies implement federal policy decisions and programs in a coordinated, effective and sensible manner in order to bring greater economic and social stability and health to our nation's communities. In carrying out this responsibility the Council shall:

- (1) Seek to involve all sectors of the nation, including State and local governments, regional bodies, the private sector, neighborhood groups and volunteers / in a new partnership to conserve and strengthen America's communities.
- (2) Coordinate federal programs to alleviate obstacles to efficient delivery of services.
- (3) Encourage and assist in facilitating maximum cooperation and coordination among and between federal departments and agencies; and between and among such departments and agencies, and State and local governments, the private sector, neighborhood groups and volunteers.
- (4) Serve as the focal point of efforts by federal departments, agencies and other federal entities to resolve specific difficulties that arise in their attempts to implement national policies and programs.
- (5) Assist in providing a coordinated and timely federal response to those States and local governments which present coordinated strategies for the development of that State and/or locality.
- (6) Assist in identifying recurring inter-departmental, inter-agency and intergovernmental problems which are susceptible to solutions by long range management reforms and/or reorganization. Such issues shall be referred by the Chairman to the Office of Management and Budget for appropriate action.

Section 3. Administrative Arrangements.

(a) All federal departments, agencies, offices and programs shall provide full cooperation and assistance to the Chairman of the Council in fulfilling its mandate.

- (b) The head of each federal department and agency, in response to a request by the Chairman, shall assign a major program operating official(s) as a member of the Council.
- (c) All federal departments and agencies shall provide the Council with support necessary to carry out the mandate of the Council.
- (d) The Chairman shall determine the process for Council deliberation and shall establish, as necessary, smaller working groups of its membership.
- (e) The Chairman shall provide the President with regular reports on the functioning of the Council.

WASHINGTON

MEMORANDUM TO: Roger Altman

Walter Federowicz
Robert Herbst
Alex Mercure
Bob Hall
Ernie Green
Gene Eidenberg
Larry Simons
Robert Embry
Mort Downey
John Young
Harrison Wellford
Doug Costle
Walt Kallaur

Walt Kallaur Bill Allison John Lewis Pat Cloherty

FROM:

Jack Watson fack

May 4, 1978

SUBJECT:

Interagency Coordinating Council

As you know, the President announced in his urban policy the establishment of an Interagency Coordinating Council to implement existing and new programs in a more effective and coordinated manner.

The President has asked me to chair the Council and an Executive Order officially creating it will be circulated soon for comment.

Although the Council is not yet officially constituted, I would like each of you to attend an informal meeting to discuss the Council's role, method of functioning and other related matters on May 15, 1978, from 10:00 to 11:30 a.m. in the Roosevelt Room at the White House. Attendance will be for principals only; please make every effort to attend.

I will send you a proposed agenda shortly, but would very much appreciate your own suggestions as to how the Council should operate and what its immediate priorities should be. If you have such ideas, please send them to me personally. If there are any questions, please call Bruce Kirschenbaum or Virginia Straus at 456-7154.

CC: H. Jordan✓

- J. Powell
- S. Eizenstat
- A. Wexler
- F. Moore
- B. Lipshutz

WASHINGTON

DATE:

02 MAY 78

FOR ACTION: STU EIZENSTAT

HAMILTON JORDAN # 4

BOB LIPSHUTZ O₩-T

HUGH CARTER attacket

RICHARD HARDEN - attenti

JIM MCINTYRE

INFO ONLY: THE VICE PRESIDENT

JODY POWELL

SUBJECT: WATSON MEMO RE IMPLEMENTATION OF INTERAGENCY COORDINATION

COUNCIL -- ADMINISTRATIVELY CONFIDENTIAL

- + RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
- + BY: 1200 PM FRIDAY 05 MAY 78

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

SECRET GDS

MEMORANDUM FOR

THE SECRETARY OF DEFENSE

SUBJECT:

Resumption of DOD Personnel Drawdowns on Taiwan

The President has instructed that the ceiling for DOD military and civilian personnel on Taiwan (excluding those assigned to the U.S. Embassy be lowered to 660 by October 1, 1978. (S)

25X1

The Department of Defense should keep the American Ambassador in Taipei informed of plans for the implementation of these reductions and should provide the NSC on July 1, 1978 and October 1, 1978 reports on the number of DOD personnel, by unit, on Taiwan, including those exempted from the ceiling.

OSD REVIEW COMPLETED

NLC Review Completed.

Zbigniew Brzezinski

MORI per C03342606

SECRET GDS

WASHINGTON

May 11, 1978

MEETING WITH SENATOR GARY HART Friday, May 12, 1978

12:00 p.m. (30 minutes) Oval Office

From: Frank Moore

I. PURPOSE

To discuss SALT.

TY. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. <u>Background</u>: This luncheon was set up at your request following a conversation with Senator Hart on Air Force One during your recent trip out West.

Senator Hart serves on the Committee on Armed Services, the Committee on Environment and Public Works, and the Select Committee on Intelligence.

The Senator's wife is named Lee.

B. <u>Participants</u>: The President Senator Gary Hart (D-Colo.)

C. Press Plan: White House Photo

III. TALKING POINTS

Memorandum from Zbigniew Brzezinski attached.

WASHINGTON

INFORMATION

May 11, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Your Friday Lunch with Senator Hart

Senator Hart will want to discuss in detail the personalities and procedures involved in the anticipated SALT ratification process:

Personalities. The role of the Senate leadership (Byrd, Cranston, Baker), the role of the most influential Senators on the SALT issue (Stennis, Sparkman, Jackson, Nunn), and the role of those who will probably lead the fight in the trenches (himself, Culver, possibly McIntyre).

Procedures. The projected time for completion of the agreement, when it would be sent to the Hill, and whether it would be sent up as a Treaty or an Executive Agreement.

He will also want to discuss Executive Branch/Senate coordination and probably argue for a much more vigorous Congressional and public campaign in support of the emerging agreement.

In a March floor statement, Hart said that at an appropriate time he would offer clarifying language to the resolution of ratification with the purpose of continuing the limited nature of the protocol and insuring that any commitment to extend or alter the protocol or any of its provisions is reached through full negotiation and approval. Hart's action is prompted by his desire to preempt Jackson who might want to make a similar proposal to the effect that the protocol would be extended formally or informally only after formal Congressional approval.

Electrustable Copy Made for Prescription Purposes

THE WHITE HOUSE

Be Sure Expresses 55/12/18

May 10, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES F. GAMMILL, JR.

SUBJECT:

Presidential Appointments

I recommend that you approve the following-named persons to be Members of the President's Export Council:

Emile R. Bussiere, of New Hampshire, vice John D. Harper, resigned.

Mark Hasten, of Indiana, vice Lynn Townsend, resigned.

Mr. Bussiere is a self-employed Attorney in Manchester.

Since 1967, Mr. Hasten has been co-owner/partner of Colonial Crest Nursing Center, Inc., in Indianapolis.

Senators Durkin and Bayh recommend these appointments. M- hope?

All necessary checks have been completed.

I recommend that you approve the commissions for these appointments:

<u> </u>	res	No

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THE WHITE HOUSE WASHINGTON

May 12, 1978

Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

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VICE PRESIDENT
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MOORE
POWELL
WATSON
WEXLER
BRZEZINSKI
MCINTYRE
SCHULTZE

	ADAMS
	ANDRUS
	BELL
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	BROWN
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	HARRIS
	KREPS
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	SCHLESINGER
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THE WHITE HOUSE

May 12, 1978

NOTE TO THE PRESIDENT

FROM

STU EIZENSTAT

SUBJECT

LUNCH WITH GARY HART

I have just learned that you will be having lunch with Senator Gary Hart -- principally to discuss SALT.

As you recall, we are also working with Hart on Energy Impact Assistance which you announced in Denver last week. He may ask for a commitment from you concerning the role of the Commerce Department's Title V Regional Commissions in administering the impact assistance program or on the role which Energy Impact Assessment Teams (proposed in his bill) should play in approving state plans for use of federal funds.

I would strongly recommend that you make <u>no</u> commitments on either of these points since we, Energy and the Commerce Department are in the process of working out an agreement with Hart and other members of the Senate Environment and Public Works Committee.

May 12, 1978

MEMORANDUM TO THE PRESIDENT

FROM:

FRANK MOORE

BOB THOMSON

RE:

LOBBY REFORM CONFERENCE

Your calls had a very positive impact on the lobby reform mark-up session yesterday. We now have the votes for organizational contributor disclosure and criminal penalties. More importantly, the momentum shifted our way after your calls to Chiles, Glenn and Sasser.

The Chairman was floor manager of a minor tax measure yesterday afternoon, so the mark-up session did not coplete its work. They meet again Monday. We are likely to get a strong bill reported, but without disclosure of lobbying solicitations, e.g. letter writing campaigns where the lobbying organization urges citizens to write their Congressman on a particular issue.

1:00 PM

THE WHITE HOUSE

WASHINGTON

May 11, 1978

TO:

The Bresident

FROM:

Ecia Bario

RE:

Your Q and A session with Hispanic media, 1:00 p.m.,

Friday, May 12, Cabinet Room

This group will meet with you after being briefed by Leonel Castillo, Grace Olivarez, Stu Eizenstat, Mary Berry (HEW), and Joe Aragon. After meeting with you, they will be briefed by Eleanor Holmes Norton, Wayne Granquist (OMB), Arthur Flemming (Civil Rights Commission), and Robert Stein (Labor). John Huerta (Justice), and Robert McConnon (Labor) will brief the group on Saturday. An agenda is attached,

The participants come from seven states. Ten are from Hispanic newspapers and magazines. Four are broadcasters for Hispanic outlets, including two major networks -- Spanish International Network (5TV) and Radio Cadena (40 radio stations serving Chicago and west). A list of participants is attached.

Walt Wurfel will stop the Q&A after 25 minutes to allow for individual pictures of the editors with you. Two photographers will be present to keep the time involved to less than five minutes.

A photo pool will be in the Cabinet Room the first two minutes.

ISSUES:

Hispanic Criticism of Undocumented Alien Legislation

The Hispanics believe that the employer sanction will cause increased discrimination against Hispanics and that the Temporary Resident Alien status relegates them to second-class citizenship.

- -- Our policy has adopted the least discriminatory employer sanction.
- -- Federal civil rights agencies have been charged with making much greater efforts to ensure that existing anti-discrimination laws are fully enforced.
- -- The purpose of granting the temporary status is to hold a decision until more precise information about their number, location, family size, and economic situation can be collected through the registration process and reviewed.

The Senate Judiciary Committee has been holding hearings on the Administration bill. Hispanics have criticized us for lack of notice and for the witness list which has only included one Hispanic organization (MALDEF). You could point out that the schedule and witness list were established by the Judiciary Committee.

Police Misconduct

There are two issues here:

- -- The enforcement of the Federal Immigration Law by local police, which often leads to the harassment and embarrassment of U. S. citizens.
- -- Racial discrimination in the Southwest which has led to numerous cases of police murders and beatings of Hispanics.

The Justice Department has more than 30 cases of police misconduct against Hispanics under study, and has announced a dual prosecution policy, in which they will bring civil rights actions against police who abuse minorities, even if they already have been tried in the State court system. This group will be briefed by John Huerta (Justice) on Saturday morning. They also have a copy of last week's Law Day speech.

Talking Points:

- -- This Administration will not tolerate the abuse of one's civil rights under any circumstances.
- -- This Administration will continue the use of the dual prosecution policy which Judge Bell has implemented, and we will prosecute civil rights cases vigorously.
- -- We will continue to challenge lenient and entirely inappropriate sentences such as those handed out in Houston.

Ku Klux Klan on the Southwest Border

There have been several incidents in the San Diego area in which the Ku Klux Klan has appeared at the border and announced that they want to help the Border Patrol keep undocumented aliens out. The Immigration and Naturalization Service discourages patrol of the international border by any unauthorized persons.

Appointments and Federal Employment

The Puerto Ricans will be especially critical because they feel they have not received enough of the Hispanic appointments. Hispanics, especially in California, are very conscious of the large numbers of Hispanics appointed by Governor Brown, notably to the courts.

Talking Points:

- -- While most of the appointments are Mexican American, there are several Puerto Rican and Cuban appointees. Some of the Puerto Ricans are: Bill Medina, Assistant Secretary for HUD for Administration; Jose Cabranes, President's Commission on Mental Health; Cesar Perales, Regional Administrator in New York for HEW.
- -- There are 46 Hispanic Presidential appointees, not including those within the Executive Office of the President. Of these, 14 are women and 32 are men.
- -- When the Omnibus Judgeship Bill takes effect, there will be 152 Federal judgeships throughout the United States. We intend to use the Merit Selection System to appoint Hispanics and women.

You may want to mention that you are close to announcing a Hispanic appointment to the EEOC. Two possible nominees for this post are in the last stages of FBI clearance.

Executive Order Which Prohibits Federal Hiring of Aliens

President Ford signed an Executive Order in 1976 which prohibits virtually all resident aliens from working in the Federal competitive service. Hispanics believe that this Executive Order should be rescinded to at least allow employment in non-sensitive jobs. You may be asked whether you would consider rescinding the Order.

- -- Domestic Policy Staff is looking into this possibility and it implications.
- -- Even if we rescind the Order, the Appropriations Bill still carries a rider which prohibits paying resident aliens with Federal funds.

Agricultural Labor

Hispanics are concerned about a new "Bracero" program or an expansion of the H-2 Temporary Worker program.

-- The undocumented alien policy stated that we were not proposing a "Bracero" program and we have not changed our position. That includes any expansion of the H-2 program.

Cesar Chavez and Secretary Marshall were reported to have signed an agreement for DOL funding of a farm worker training program. Chavez later claimed that the DOL had reneged. You may be asked about this.

- -- An announcement was made before details had been nailed down.
- -- UFW and DOL have been working out details and we expect to have agreement soon.

WASHINGTON

AGENDA

Hispanic Media Briefing

May 12, 1978

8:30 - 8:40 a.m.	Coffee
8:40 - 9:00 a.m.	Welcome PATRICIA BARIO, Associate Press Secretary PAT BAUER, Editor, White House News Summary
9:00 - 10:00 a.m.	LEONEL J. CASTILLO Commissioner Immigration and Naturalization Service
10:00 - 10:05 a.m.	Break
10:05 - 10:15 a.m.	GRACE OLIVAREZ Director Community Services Administration
10:15 - 11:00 a.m.	STUART L. EIZENSTAT Assistant to the President for Domestic Affairs and Policy
11:00 - 11:45 a.m.	MARY FRANCES BERRY Assistant Secretary for Education Department of Health, Education, and Welfare
11:45 - 12:40 p.m.	Lunch with JOSEPH W. ARAGON Special Assistant to the President
12:40 - 12:50 p.m.	Enroute to the Cabinet Room
12:50 - 1:00 p.m.	JODY POWELL Press Secretary to the President
1:00 - 1:30 p.m.	Q & A WITH THE PRESIDENT
1:30 - 2:15 p.m.	Filing Time
2:15 - 3:00 p.m.	ELEANOR HOLMES NORTON Chair Equal Employment Opportunity Commission

3:00 - 3:45 p.m. WAYNE G. GRANQUIST

Associate Director for Management and

Regulatory Policy

Office of Management and Budget

4:00 - 4:25 p.m. ARTHUR FLEMMING, Chairman

LOUIS NUNEZ, Acting Staff Director U.S. Commission on Civil Rights

4:25 - 4:50 p.m. ROBERT STEIN

Assistant Commissioner for Current Employment

Analysis

Department of Labor

HARVEY HAMEL

May 13, 1978

9:00 - 9:30 a.m. Coffee and Donuts

9:30 - 10:30 a.m. JOHN HUERTA

Deputy Assistant Attorney General

Civil Rights Division Department of Justice

10:30 - 11:30 a.m. ROBERT McCONNON

Deputy Assistant Secretary for Employment

and Training

Department of Labor

MAY 12-13 BRIEFING PARTICIPANTS

CALIFORNIA

Frank Del Olmo Reporter Los Angeles Times

Antonio Gonzalez News Director KWKW Radio Pasadena

Frank Gonzalez Editorial Director KFWB Los Angeles

Gerardo Lopez Reporter La Opinion Los Angeles

FLORIDA

Horacio Aguirre Editor Diario Las Americas Miami

Jorge Hernandez News Director WQBA Radio Miami

Max Lesnick Managing Editor Replica Publishing Corporation Miami

Nirso Pimentel News Director WLTV-TV Miami

Thomas Regalado News Director WRHC Miami

Frank Soler Editor El Miami Herald Miami

ILLINOIS

The Reverend Ruben Cruz Producer WLS-TV Chicago

Julio Montoya Editor La Raza Chicago

NEW JERSEY

Carlos Bidot Editor La Tribuna de North Jersey Newark

Guillermo Restrepo News Director WXTV Paterson

NEW YORK

Jose de la Vega Editor Temas New York City

Carlos G. Carrillo Editor Impacto New York City

Daniel M. Lopez Publisher Nuestro Magazine New York City

TEXAS

Ed Castillo City Desk San Antonio Light

Fernando Perez del Rio Director, Spanish Information Service Texas State Network Ft. Worth

TEXAS (Cont'd)

The Reverend James L. Novarro Publisher El Sol Houston

WASHINGTON

Daniel Roble Executive Producer Radio Cadena Seattle WE HAVE ONE MAJOR FACTOR IN OUR FAVOR -- WE ARE RIGHT!!

IF THE CONGRESS REJECTS THESE PROPOSALS, OUR ATTEMPTS
TO BRING ABOUT PEACE IN THE MIDDLE EAST WILL BE DAMAGED -OUR CREDIBILITY WITH MODERATE ARABS WHO ALSO SEEK PEACE WILL
BE SEVERELY ERODED.

THERE IS ABSOLUTELY NO DOUBT THAT ISRAEL WILL ENJOY

AN EVEN GREATER MILITARY ADVANTAGE IF THESE SALES ARE APPROVED

THAN IF THEY ARE REJECTED.

TO REFUSE TO SELL PRESIDENT SADAT THE PLANES HE

NEEDS TO DEFEND EGYPT -- NOT AGAINST ISRAEL BUT AGAINST

RADICAL, SOVIET ARMED REGIMES -- COULD ONLY SERVE TO UNDERMINE

HIS COURAGEOUS STEPS TOWARD PEACE.

THIS IS NOT A PARTISAN ISSUE. OUR COMMITMENTS FOR
THESE SALES TO ISRAEL AND SAUDI ARABIA WERE BOTH MADE BY
REPUBLICAN PRESIDENTS AND RECONFIRMED BY ME.

OUR MORAL COMMITMENT TO PRESIDENT SADAT IS SUPPORTED MEMORIS OF BY SENATORS A CONGRESSMEN AND PRIVATE CITIZENS OF BOTH PARTIES.

THIS ISSUE DEMANDS THAT ALL OF US RISE ABOVE OUR
PERSONAL OR POLITICAL CONCERNS AND ACT IN THE BEST INTEREST
OF THE U.S. AND OF PEACE AND STABILITY IN THE MIDDLE EAST.
I AM CONFIDENT THAT THE U.S. SENATE WILL ACT IN SUCH A STATESMANLIKE MANNER.

Guidance for the President

In his meeting with Hispanic editors on Cuba, the Hispanics will want to have the President place special emphasis on the importance of human rights in our dialogue with the Cubans.

We should make the additional point that our objectives in human rights can be met most effectively only through dialogue with the Cubans.

Secondly, they may ask whether we have consulted with the Cubans on ways to prevent terrorism. The answer is that we have, and the explanation is simply that it is in the interest of all our people -- particularly of the Cuban/American community -- to prevent wanton acts of terrorism. A forceful statement condemning terrorism in all forms, and noting that you have asked that all legal steps be taken to prevent terrorist acts would be extremely valuable.

On US/Mexican relations, the Hispanic editors will want to know that you are sensitive to the diplomatic implications of the undocumented workers problem. You may want to point to the necessity of passage by the Congress of legislation on international development banks, as a way to deal with the long-term problem.

opportunity to be even more firm about the Cubans — to say that the so called normaly alin process has been halted by Cuban actions in Ofrica. It

WASHINGTON

May 12, 1978

TO:

The President

FROM:

Patricia Bario

RE:

Additional information on Hispanic briefing

Leonel Castillo brought his brother, Assistant to the Mayor of Houston, to the session this morning. He said that the rioting in Houston on May 7 was instigated by 5 or 6 Anglo "leftists" who used the lenient sentencing in the Jose Campos Torres case as an excuse for staging the incident.

You may be asked whether you have information that "leftists" are operating to cause unrest in the Hispanic community.

You may want to say that:

-- You have no personal knowledge about the Houston situation

The cry of outside agitators has a familiar ring from your experience in the South

-- We know there is much legitimate frustration in the Hispanic community due to problems such as:

- police brutality
- unemployment
- education
- housing
- discrimination
- -- We are actively working to improve the situation.

of stop hue.

Sa

LAST DAY FOR ACTION
Saturday, May 13

Notify
Cannor
first

WASHINGTON

May 12, 1978

MEMORANDUM FOR

THE PRESIDENT

FROM

STU EIZENSTAT

BILL DELLER

SUBJECT:

Enrolled Bill S. 917 -- Land Conveyance,

Nevada

You must decide by Saturday, May 13, 1978, whether to sign or veto this bill.

THE BILL

S. 917 authorizes the Secretary of the Interior to convey certain public lands totalling about 8,040 acres to the University of Nevada. These lands are adjacent to a ranch currently owned and operated by the University as a rangelands management station and would be used for the same purpose.

The bill provides that this land be conveyed under the same terms that would apply if the land were conveyed under the Recreation and Public Purposes Act. authorizes the Secretary of the Interior to convey public lands to States, localities and non-profit associations at less than fair market value where the lands are subsequently dedicated for recreation or other qualified public purpose. This bill waives the annual acreage limitation of the Act, enabling the University to obtain title to the entire parcel immediately instead of being limited to the acquisition of no more than 640 acres per This bill also waives the Act's stipulation that the Recreation and Public Purposes Act shall not apply where conveyance is authorized by another law, thereby preserving the Secretary's authority to convey these lands at less than fair market value.

Requirements of the Act that will apply include these provisions:

 the University must submit a plan for use of the land for the Secretary's approval;

THE WHITE HOUSE WASHINGTON

May 12, 1978

Jim Gammill

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Tim Kraft

Jim - I've given the rest of the package to Bob Linder's office.

WASHINGTON

May 10, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES F. GAMMILL, JR.

SUBJECT:

Presidential Appointments

The National Advisory Council on Extension and Continuing Education advises the Commissioner of Education and the Secretary of Health, Education and Welfare on matters in that area of education.

I recommend that you appoint the following-named persons to be Members of the National Advisory Council on Extension and Continuing Education for the terms indicated:

Alfred W. Clement, of Washington, for a term expiring June 30, 1980, vice Charles Lawshe, term expired.

Helmut J. Golatz, of <u>Pennsylvania</u>, for a term expiring June 30, 1980, vice Ruth Crassweller, term expired.

Crystal A. Kuykendall, of the District of Columbia, for a term expiring June 30, 1980, vice Armand Hunter, term expired.

Dr. Noel Myricks, of Maryland, for a term expiring June 30, 1980, vice Kenneth Lyons, term expired.

Jim - I presume that the remail has a better geographical distribution

Mr. Clement is Project Director of the Bureau for Faculty Research at Western Washington State College.

Since 1964, Professor Golatz is Department Head and Professor of Labor Studies at The Pennsylvania State University.

Ms. Kuykendall is Director, Urban and Minority Affairs at the National School Boards Association in Washington, D.C.

Dr. Myricks is an Associate Professor at the University of Maryland and an attorney. He has worked with Peter Bourne during the past three years.

THE WHITE HOUSE WASHINGTON

May 12, 1978

Tim Kraft Jim Gammill

> The attached was returned in the President's outbox. It is forwarded to you for your information.

> > Rick Hutcheson

RE: CONG. FORD

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THE WHITE HOUSE
WASHINGTON

MAY 12, 1978

MR. PRESIDENT:

CONGRESSMAN HAROLD FORD

CALLED AGAIN AT 6:00 P.M.

YESTERDAY.

PHIL

J Palled T

0

THE WHITE HOUSE WASHINGTON

THURSDAY - MAY 11, 1978 1:15 P.M.

MR. PRESIDENT

CONGRESSMAN HAROLD FORD OF TENNESSEE

CALLED TO RECOMMEND FRANK BANKS

FOR THE TVA BOARD.

BANKS WILL BE CONTACTED BY THE

PERSONNEL PEOPLE AND ASKED TO

COME IN FOR AN INTERVIEW.

PHIL

WASHINGTON

ЙОЙ

May 11, 1978

MR. PRESIDENT:

The Economic Summit in Bonn is scheduled for July 16 and 17, with two days for a State Visit before. Including travel time, this commits July 13 - 18 or 6 days to foreign travel in the middle of the '78 election campaign season.

It might be possible to add either Rome or Madrid on the day of your return without using another whole day, but I'm not sure that a few hours on the ground would satisfy either government.

The Secret Service has a very negative view of a stop in Rome. The situation is getting worse, not better, and it's apparent that the police forces cannot handle the situation. They had Mrs. Johnson cancel a proposed trip to Italy this year because of the terrorist situation.

PRR

SCHEDULE PROPOSAL

THE WHITE HOUSE

DATE:

May 9, 1978

WASHINGTON

FROM: ZBIGNIEW BRZEZINSKI VIA: TIM KRAFT

CONFIDENTIAL **GDS**

MEETING:

Visits to Rome and Madrid

DATE:

About July 17 or 18 enroute from Germany to Washington

TIME:

One-half to one day

Several hours, perhaps including lunch

PURPOSE:

To visit officials of the Italian and Spanish government

FORMAT:

Working Visits

CABINET

The Secretary of State

PARTICIPATION:

The Secretary of the Treasury

SPEECH

Arrival and departure statements, possible

MATERIALS

toasts

PRESS

Meetings to be announced.

COVERAGE:

Full Press/Photo

STAFF:

NSC and State will prepare appropriate materials

RECOMMEND:

NSC and State

OPPOSED:

None

PREVIOUS

PARTICIPATION:

You last saw Prime Minister Andreotti here on July 26-27, 1977, and Prime Minister Suarez here on April 29, 1977.

BACKGROUND:

Because of the

reoming.

Moro death, the decision re Italy could be quite

The Italian government has been interested in your visiting Rome for some time, and a re-fueling stop-over in Madrid would underscore our support for Spain's democratic evolution. (Portugal might feel slighted by the lack of symmetry, but if you could find a few minutes to meet with Portuguese President Eanes at the NATO Summit, that problem would be diminished.) On a recent Evening Reading item from Cy Vance you suggested announcing a visit to Rome if it could be arranged. State, NSC and Ambassador Gardner believe that while arrangements could proceed now, an announcement at this unsettled time might not be helpful to them. Furthermore, all recommend that a final decision on the Rome stop be made only after the situation

in Italy clarifies.

RECOMMENDATION:

That you agree tentatively to visit Rome and Madrid, with formal announcements held up until the situation clarifies.

Disapprove

Madrid-no

CONFIDENTIAL CDS Juy 6/28/90

THE WHITE HOUSE WASHINGTON

May 12, 1978

Jim McIntyre Jack Watson Frank Moore

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Stu Eizenstat

CAMDEN VA HOSPITAL

Electrostatic Copy Made for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

May 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

Frank Moore F. M. BR

Jack Watson

SUBJECT:

CAMDEN V.A HOSPITAL

For some reason, the decision memorandum on the captioned subject from Jim McIntyre last week was not staffed through the normal procedures. There are several aspects of the situation that we thought should be pointed out to you to put your decision on the matter in the proper context.

ON PURE V.A. HEALTH POLICY GROUNDS, THERE IS NO QUESTION THAT THE HOSPITAL SHOULD NOT BE BUILT.

Here are the other considerations:

- (1) The House Appropriations Subcommittee has included the hospital in the FY 79 bill. OMB agrees that this makes it virtually certain to pass the House.
- (2) It is also a virtual certainty (90%) that it will be included in the Senate Appropriations Bill. Senator Case is the ranking Republican on the full committee and is running hard for reelection. Senator Williams (who is extremely upset over the decision not to build the hospital) is fighting hard for the hospital and is "giving away" a number of votes to Senator Proxmire on other issues (such as the housing authorization) in order to gain Proxmire's support for the hospital (Proxmire is the Appropriations Subcommittee Chairman). This is especially regrettable since Williams would have supported us on a number of the votes he is giving away in order to gain votes for the hospital.
- (3) Senator Williams, as Chairman of the Human Resources Committee, has considerable influence over our CETA reauthorization; our Education bill (particularly impact aid) and Labor Law Reform. He is also on the Banking Committee and is needed on the New York City loan legislation. Senator Williams has considerable personal and political prestige on the line; he feels that his back is to the wall, and that he must go all out. As you know, he has

Work through Fim been a good and loyal supporter, and we run the real risk of alienating him by not at least seeking a compromise with him. We think that a compromise might be worked out along the following lines:

- (1) The OMB proposal is to build a nursing home in Philadelphia attached to the V.A. hospital there and to build an outpatient clinic in Camden. (Camden and Philadelphia are only three miles apart and are, therefore, in the same "health service area.")
- (2) We propose that the nursing home simply be shifted to Camden.

This compromise would cost exactly the same amount as the OMB proposal. It would save approximately \$48 million in construction costs and \$22.3 million in annual operating The major argument against the compromise is that it would go against the traditional V.A. policy of building nursing homes only at V.A. hospitals. OMB points out that the compromise might open up an attractive arrangement for other Members of Congress. Although that is certainly a factor to consider, this is not a traditional situation. In this case, the Ford Administration decision to build the hospital was publicly "ratified" by Max Cleland in August of 1977, and then six months later we reversed the decision. Irrespective of whether Max's decision in August was a good one, it was relied upon. These unique circumstances could legitimately be used to differentiate this case from future ones.

RECOMMENDATION

We recommend that you approve a possible compromise along these lines. If you do, Sue Woolsey from OMB and someone from our offices would approach Williams to discuss it.

Approve V Disapprove	
Approve bisapprove	

The attachment shows the three options and their cost implications.

	OMB Proposal	New Jersey Delegation Proposal for Full Hospital (Original V.A. Proposal)		Compromise
1.	Nursing Home in Philadelphia	V.A. Hospital	1.	Nursing Home in Camden
	\$14.2 M construction 2.5 M annual operating	\$75 M construction 30 M annual operating		\$14.2 M construction 2.5 M annual operating (same as OMB cost)
2.	Outpatient Clinic in Camden		2.	Outpatient Clinic in Camden
	\$12.5 M construction 5.2 M annual operating			\$12.5 M construction 5.2 M annual operating
TO I	YAL			
	\$26.7 M construction 7.7 M annual operating	\$75 M construction 30 M annual operating		\$26.7 M construction 7.7 M annual operating



EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAY 12 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. McIntyre, Jr.

SUBJECT:

Camden VA Hospital

The memo from Frank Moore and Jack Watson suggests we try to compromise with Senator Williams. I firmly believe that events have proceeded too far for a partial compromise. The entire hospital is highly likely to be funded, with the proviso from Senator Proxmire that outlays await results from a GAO analysis of the effects on other hospitals in the community. I suggest we take one of two positions:

- -- Stand firm on the principle that the hospital is not needed, and build a record for the future course of VA construction; or
- Give in to Senator Williams on the entire hospital, with the Proxmire proviso, and make maximum political mileage out of it for Democratic unity.

Any half-way compromise at this time holds all the pitfalls of giving in with very little likelihood of acceptance.

s.

THE WHITE HOUSE WASHINGTON April 26, 1978

Jim McIntyre

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Frank Moore

RE: RESPONSE TO SEN. HARRISON
WILLIAMS CONCERNING THE DECISION
NOT TO BUILD A CAMDEN, N.J.
VETERANS HOSPITAL

XXMXXXXXXXXXXXX CONFIDENTIAL

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THE WHITE HOUSE WASHINGTON

4/25/78

Mr. President:

Congressional Liaison strongly recommends that, if it is necessary to terminate the Camden hospital, the response come from either McIntyre or Cleland, not the President.

Rick

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	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
Г	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
Г	NO DEADLINE
	LAST DAY FOR ACTION -

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VICE PRESIDENT
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OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503



APR 1 8 1978

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. McIntyre, Jr.

SUBJECT:

Response to Senator Harrison A. Williams concerning the decision not to build a Camden, New Jersey, veterans hospital

I. BACKGROUND

I have reviewed Senator Williams' appeal of your decision not to build a new veterans hospital in Camden, New Jersey. The budget now reflects the decision to build an outpatient clinic in Camden and a nursing home next to the VA hospital in Philadelphia. His major concern with your decision appears to be its effect on Camden's urban renewal effort, since the VA hospital represented a central part of that effort.

II. OPTIONS

- 1. Reverse the decision and agree to the construction of the hospital. Cost: \$68-78 million in 1980.
- 2. Build both the outpatient clinic and the nursing home in Camden.
- 3. Continue with the present decision, but demonstrate Administration concern for Camden as a depressed area: official visits, and facilitation of grant applications to the Department of Housing and Urban Development and the Economic Development Administration, for example.

I still find no argument which warrants your selection of the first option. There does not appear to be any justification for the hospital based on veterans' needs. The decision to build not only requires \$68-78 million for construction, it will also require about \$30 million a year to operate.

The second option would probably be politically acceptable, except for the precedent it would set: To the present, VA has carefully avoided locating nursing homes any place other than in or adjacent to veterans hospitals which can provide at low cost the acute care frequently needed by nursing home patients. The outpatient clinic/nursing home combination would prove tempting to congressmen seeking VA medical facilities in their districts. We are afraid that this combination, once started, would be very hard to control.

The third option is my recommendation. I believe that we can identify other forms of Federal assistance that will help Camden's urban renewal efforts, be far less expensive in the long run, and avoid the creation of another major medical facility in excess of our needs.

III. RECOMMENDATION

That you approve option three, and sign the attached letter.

Approve		Disapprove
	_	· • • · • · • · · · · · · · · · · · · ·

Attachment

THE WHITE HOUSE

WASHINGTON

Dear Senator Williams:

Thank you for your thoughtful letter of April 7 regarding the decision not to construct a Veterans Administration hospital in Camden, New Jersey. I should like to share with you my thinking on this matter.

My decision not to build the Camden VA hospital followed a careful analysis of all the effects of the available alternatives. I recognized the significant impact that the decision not to build a hospital would have on the economy of Camden. On the other hand, I was aware of the continuing cost that would accompany the decision to build, a cost that could not be justified for the health care of veterans on the basis of data prepared by the Veterans Administration.

A major factor in the reversal of VA's position on the need for the hospital has been the large increase in outpatient care provided to veterans since the enactment of P.L. 93-82 "Hospital, Domiciliary, and Medical Care Benefits". As you know, that law recognized the fact that many veterans were hospitalized, not because their disability required it, but because treatment on an outpatient basis was denied. Consequently, it expanded VA's authority to provide outpatient care to disabled veterans. The resulting growth in outpatient care over the last five years has greatly reduced the demand for hospital beds.

Simultaneously, VA has increased its nursing home beds by about 50 percent, allowing many veterans requiring long-term care to vacate acute care beds. This, coupled with major management and treatment improvements, has decreased the average length of stay in VA facilities considerably, from a systemwide average of 39.9 days in 1974 to 32.3 days in 1977, excluding one day dialysis patients.

These changes in VA health care led to major alterations in estimates of hospital bed needs in the Camden-Philadelphia area, and I found it impossible to justify the new hospital under those conditions.

I particularly appreciate your comments about the projected surge in demand for VA medical care that will take place in the coming decades as World War II and Korean conflict veterans reach age 65. I do not believe that the Veterans Administration's medical institutions can or should be expanded to serve this larger population. In last fall's review of the VA budget, much discussion was directed at this issue, and I directed the VA to increasingly focus its medical care upon veterans disabled in service. This decision, coupled with the information that only 20 percent of the veterans served by the Philadelphia VA hospital were service disabled, contributed further to the Camden decision.

Let me propose an alternative to construction of the VA hospital: I will ask several of my senior policy officials from the White House, Department of Housing and Urban Development, and Department of Commerce to work with you and Congressman Florio and leaders from Camden in an effort to identify alternative forms of assistance to Camden's urban renewal effort. I continue to believe strongly in the need to contain hospital construction and in the adequacy of veterans' medical facilities in the Camden-Philadelphia area. On the other hand, I am aware of the effects of the Camden hospital decision on that city's program of self-improvement, and look forward to exploring alternative ways to help support that very significant effort.

Sincerely,

Honorable Harrison A. Williams, Jr. United States Senate Washington, D.C. 20510

THE WHITE HOUSE WASHINGTON

April 12, 1978

Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

RE: CAMDEN - VA HOSPITAL

cc: Jim McIntyre

THE WHITE HOUSE WASHINGTON

	FOR STAFFING
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	ENROLLED BILL
Г	AGENCY REPORT
Г	CAB DECISION
Г	EXECUTIVE ORDER
	Comments due to
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	48 hours; due to
	Staff Secretary
	next day

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TO PROSPUTE PETROSES. JR., N.J., CHAIRMAN JACOB K. JAVITS, N.Y. HARD'S, SCHWEIKER, PA. ROBERT T. STAFFORD, VT. JOHN H. CHAFEE, R.I. ORRIN G. HATCH, UTAH S. I. HAYAKAWA, CALIF.

United States Senate

COMMITTEE ON HUMAN RESOURCES

April 7, 1978

The President The White House Washington, D. C. 20500

Dear Mr. President:

frank

Get Jim may

from it to sign

Want to sign WASHINGTON, D.C. 20510

As you recall, in our recent telephone conversation you recommended that I provide you with additional information in support of the construction of a new Veterans Administration hospital in Camden, New Jersey. I sincerely believe that this new medical facility is crucial to both the health of veterans in the South Jersey area and to the revitilization of Camden's declining economy. Thus, I have outlined the considerations which I believe make a compelling case for the new hospital's construction.

On December 14, 1976, then VA Administrator Richard L. Roudebush, in material provided for the Office of Management and Budget, stated that the new facility should be constructed to "provide a more balanced health care delivery system in the Philadelphia/Southern New Jersey area which would significantly improve accessibility for area veterans. Mr. President, I feel most strongly that in the material advanced to substantiate the reversal, the question of health care delivery is not adequately considered and the matter of accessibility -- a factor of equal importance in the original decision -- is not dealt with at all.

Until the recommendation to halt funding was actually announced in January 1978, the Veterans Administration had indicated over several years time its full commitment to the hospital's construction and had repeatedly acknowledged the need for the facility. In February 1974, a Veterans Administration demographic study concluded that the Philadelphia system's capacity was "seriously strained and unable to provide the necessary services for the large veterans population in the Delaware Valley." On February 10, 1977, the VA's Chief Medical Director, Dr. John Chase, stated in a letter to the New Jersey Bureau of State and Regional Planning that for veterans in the Philadelphia/ South Jersey area, "Additional beds and outpatient facilities are required to meet the health care needs of these veterans." As recently as August 23, 1977, VA Administrator Max Cleland signaled his own support for the Camden hospital in a letter to Mayor Errichetti which praised the Mayor for the "actions already taken by the city (with respect to the hospital) and the encouraging schedule outlined in your letter of August 1, 1977."

Without warning, the decision was reversed. The basis of the reversal is new information from the VA showing a reduction of occupancy rates in the Philadelphia and Wilmington VA Hospitals. From this new data, the Office of Management and Budget concluded that the existing bed capacity in the area is sufficient. However, OMB's reliance on this data, much of which is short-term, and very likely has no long-term significance, discards ten years of study and analysis.

Furthermore, I believe that this new data has been misread, and equally important, other information that should have been considered has been ignored. OMB, for example, failed to take into account the fact that on any given day, up to 100 veterans are scheduled for admission to the Philadelphia facility. In addition, the processing of applications can take up to four months, and veterans' organizations have alleged that the processing procedure is deliberately extended to avoid the existence of a long waiting list. Processing and admission problems of this magnitude surely bring into question the validity of the occupancy rate. Even if we leave this aside, I would point out that the hospital's 80 percent occupancy rate is fully consistent with occupancy rates in other VA hospitals, and with the Department of HEW's own Standard of Care for private hospitals. While the Wilmington hospital has a slightly lower occupancy rate, this facility's rate also compares favorably with other VA hospitals and with HEW standards.

In focusing solely on occupancy rates, OMB neglects to consider two interrelated and highly significant facts. The first is that the largest single group of veterans -- those who served in World War II -- has an average age of 57 and that very soon these individuals will begin to exert enormous pressure on the VA's medical system as their incidence of severe illness increases sharply. Directly connected to this growing demand for health care is the low ratio of veterans beds to veterans population found in the Philadelphia/South Jersey area compared to such bed to population ratios in other VA hospital service areas. Thus, it is clear that in using occupancy rates at the Philadelphia and Wilmington facilities, OMB has chosen a deficient indicator of the adequacy of existing medical and surgical bed space. On the other hand, ample evidence exists to demonstrate that the facilities are not equipped to handle present or future demands.

The Administration's deep concern about the close tie between rising health care costs and an oversupply of hospital bed space, which the State of New Jersey and I share, is commendable. New Jersey does in fact have one of the most stringent health planning and certificate of need programs in the country. It has been cited as a "model program" by HEW Secretary Califano. As you know, the planned VA hospital is to be an important component of a large medical complex that also involves a new medical school and Camden's Cooper Hospital. To ensure that South Jersey citizens will benefit from the advantages offered by this modern medical complex, without permitting the proliferation of unneeded bed space, the State of New Jersey has taken several actions. It has ordered the reduction of 140 beds at the Cooper Hospital and 100 beds at the West Jersey Hospital, and it has denied requests for additional beds at two other South Jersey private hospitals.

Ironically, OMB's recommendation on the Camden hospital also calls for the placement of 120 additional long-term care beds in Philadelphia, despite studies showing that there will be a surplus of 1,505 long-term beds in the greater Philadelphia area by 1985. New Jersey, by contrast, ranks 48th in the nation in the number of long-term care beds per 1,000 persons age 65 or older.

As the VA originally indicated, accessibility is as important as the sufficiency of bed space. Some opponents of the Camden VA Hospital have suggested that because the Philadelphia hospital is only seven miles from the Camden Hospital site, it is close enough to serve South Jersey veterans. On the surface, this argument would seem to make sense. But to accept it is to ignore the realities of public transportation in South Jersey.

Mr. President, I am sure that you can appreciate the psychological barrier that can be erected when residents of a largely rural area are asked to travel to, and deal with, all of the complexities of one of the nation's largest cities. For many potential patients, it is a world away, particularly when considering the fact that families have to make this journey over extended periods of time to visit the hospital. Camden, obviously, is a city, but it is much smaller, in the same state, and far less complex.

The Wilmington VA facility, meant to serve veterans living along the South Jersey shore and in counties to the south of Camden, also presents accessibility problems to New Jersey veterans. For many the facility is too distant, while those without autos find public transportation to Wilmington indirect and time-consuming.

The inaccessibility of the two existing facilities for South Jersey veterans is reflected in the fact that although New Jersey residents comprise 23 percent of the veterans in the combined primary service areas of the hospitals, only 16 percent of those discharged in FY 1977 were from New Jersey. Primary service areas include only those counties that are closest to the hospitals. If we include those counties lying outside the primary service areas in our comparison of veterans population to veterans served, the gap can be expected to widen. An examination of the applications for admission to the Philadelphia hospital in particular shows that only a tiny portion of the hospital's patients are New Jersey residents. According to Dr. John Chase, of 12,022 veterans receiving in-patient care in FY 1977, only 921, or a mere 7.66 percent, lived in New Jersey.

Mr. President, my primary concern in supporting a VA hospital in Camden is the care of the area's veterans, but we must not lose sight of the importance of the hospital to Camden's economic future nor of the moral commitment that the Federal government has made to the city and would now abandon.

Camden ranks as one of the most distressed cities in America, and I am not overstating the case by saying that Camden has staked its future on the VA hospital. The city had every right to make this decision in view of what appeared to be a final commitment. All of Camden's approaches to redevelopment and all of its presentations to new business and industry have pivoted around the central issue of the city's rebirth sparked by the new hospital. City officials have even pointed out that the demand for housing, as a result of the medical complex, already has resulted in the purchase and rehabilitation of deteriorated homes. The VA hospital thus blends well with your own deep concern for our distressed cities, but Camden's strides toward a healthy economy would come to a dead halt if the hospital is cancelled.

Acting in reliance upon the Federal government's continuing commitment to the hospital, Camden, the State of New Jersey, and the Cooper Medical Center have already taken specific steps, many of which are enormously costly and irreversible, to prepare for the new hospital. The State has appropriated funds for a new medical school that the VA insisted be located adjacent to the VA hospital. Cooper Medical Center has authorized expenditure of over \$32 million so that its facilities conform to VA requirements, and much of the work is either completed or underway. Camden has located a new Police Administration building near the hospital site, although the building would have been placed elsewhere if the hospital had not been approved. Other municipal actions including new street construction and the revision of traffic patterns have all been undertaken in anticipation of the VA hospital. The abandonment of the hospital would waste huge sums that the hard-pressed city and state governments cannot afford and would result in much construction that without the hospital is totally inappropriate.

Mr. President, I might also point out that the construction of this new hospital, located in conjunction with a new medical school whose programs can be tailored substantially in those areas of greatest interest to the VA hospital system, seems to me to present a unique opportunity to create a medical center that could assume a national leadership role in improving the quality of care for America's veterans.

Thus, I feel that the facts clearly demonstrate the need and the value of this hospital both in terms of hospital care for veterans throughout South Jersey and for Camden's future well-being.

With best wishes,

Sincerely,

Harrison A. Williams, Jr.

WASHINGTON

DATE:

18 APR 78

FOR ACTION: FRANK MOORE (LES FRANCIS)

INFO ONLY: THE VICE PRESIDENT

HAMILTON JORDAN

SUBJECT: MCINTYRE MEMO RE REPONSE TO SEN. HARRISON A. WILLIAMS CONCERNING THE DECISION NOT TO BUILD A CAMDEN, NEW JERSEY, VETERANS HOSPITAL

- + RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
- BY:

ACTION REQUESTED: IMMEDIATE TURNAROUND

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE

WASHINGTON

Date: May 11,	1978 7	82465		MEMORANDUM
FOR ACTION: Jim McIntyre		T S T	PR INFORMATION The Vice Presi tu Eizenstat Tim Kraft	dent
FROM: Rick Hutches	on, Staff Secret	ary		
SUBJECT: Wats	on Moore	memo re Ca	mden VA Hospi	tal
		AFF SECRETA	BE DELIVERED RY BY:	
	DAY:	IMMEDIATE	TURNAROUND	
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	ncur.		No comment	•
Please note other com	ments below:			

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE WASHINGTON

Rick:

We would like this to be staffed out IMMEDIATE TURNAROUND, NO DELAYS to:

Stu

Anne
Tim &
Jim McIntyre

They are all familiar with the subject, and it is very important that we get the President's decision asap.

Many thanks.

May 10, 1978

THE WHITE HOUSE

WASHINGTON

Date:

May 11, 1978

782465

MEMORANDUM

FOR ACTION:

Jim McIntyre

FOR INFORMATION: The Vice President

Stu Eizenstat

Tim Kraft

Anne Wexler

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Watson Moore memo re Camden VA Hospital

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME:

DAY: IMMEDIATE TURNAROUND

DATE:

ACTION REQUESTED:

X Your comments

Other:

STAFF RESPONSE:

____ I concur.

Please note other comments below:

X No comment.

THE WHITE HOUSE WASHINGTON May 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

Frank Moore F.M.ha

Jack Watson (Lac

SUBJECT:

CAMDEN V.A. HOSPITAL

For some reason, the decision memorandum on the captioned subject from Jim McIntyre last week was not staffed through the normal procedures. There are several aspects of the situation that we thought should be pointed out to you to put your decision on the matter in the proper context.

ON PURE V.A. HEALTH POLICY GROUNDS, THERE IS NO QUESTION THAT THE HOSPITAL SHOULD NOT BE BUILT.

Here are the other considerations:

- (1) The House Appropriations Subcommittee has included the hospital in the FY 79 bill. OMB agrees that this makes it virtually certain to pass the House.
- (2) It is also a virtual certainty (90%) that it will be included in the Senate Appropriations Bill. Senator Case is the ranking Republican on the full committee and is running hard for reelection. Senator Williams (who is extremely upset over the decision not to build the hospital) is fighting hard for the hospital and is "giving away" a number of votes to Senator Proxmire on other issues (such as the housing authorization) in order to gain Proxmire's support for the hospital (Proxmire is the Appropriations Subcommittee Chairman). This is especially regrettable since Williams would have supported us on a number of the votes he is giving away in order to gain votes for the hospital.
- (3) Senator Williams, as Chairman of the Human Resources Committee, has considerable influence over our CETA reauthorization; our Education bill (particularly impact aid) and Labor Law Reform. He is also on the Banking Committee and is needed on the New York City loan legislation. Senator Williams has considerable personal and political prestige on the line; he feels that his back is to the wall, and that he must go all out. As you know, he has

been a good and loyal supporter, and we run the real risk of alienating him by not at least seeking a compromise with him. We think that a compromise might be worked out along the following lines:

- (1) The OMB proposal is to build a nursing home in Philadelphia attached to the V.A. hospital there and to build an outpatient clinic in Camden. (Camden and Philadelphia are only three miles apart and are, therefore, in the same "health service area.")
- (2) We propose that the nursing home simply be shifted to Camden.

This compromise would cost exactly the same amount as the OMB proposal. It would save approximately \$48 million in construction costs and \$22.3 million in annual operating The major argument against the compromise is that it would go against the traditional V.A. policy of building nursing homes only at V.A. hospitals. OMB points out that the compromise might open up an attractive arrangement for other Members of Congress. Although that is certainly a factor to consider, this is not a traditional situation. In this case, the Ford Administration decision to build the hospital was publicly "ratified" by Max Cleland in August of 1977, and then six months later we reversed the decision. Irrespective of whether Max's decision in August was a good one, it was relied upon. These unique circumstances could legitimately be used to differentiate this case from future ones.

RECOMMENDATION

We recommend that you approve a possible compromise along these lines. If you do, Sue Woolsey from OMB and someone from our offices would approach Williams to discuss it.

Approve		Disapprove	

The attachment shows the three options and their cost implications.

(Original V.A. Proposal)
V.A. Hospital
\$75 M construction ing 30 M annual operating
ing
\$75 M construction ing 30 M annual operating

OMB Proposal

New Jersey Delegation

Proposal for Full Hospital

Compromise

1. Nursing Home in Camden

\$14.2 M construction 2.5 M annual operating (same as OMB cost)

2. Outpatient Clinic in Camden

\$12.5 M construction 5.2 M annual operating

\$26.7 M construction 7.7 M annual operating

THE WHITE HOUSE

WASHINGTON

May 11, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

CAMDEN VA HOSPITAL

In the light of hindsight, the Camden VA Hospital decision was probably ill-advised.

As well as I can recall, the Camden decision was presented to you during the fall budget review somewhat hurriedly, and without a complete indication of the Federal commitments already made to Camden or the likely intensity of congressional furor. As we now know, Camden had previously been given public statements by the Ford Administration and by Max Cleland that the VA hospital would be built; and the New Jersey delegation, particularly Senator Williams and Congressman Florio, has been hurting us on other issues because of the Camden decision.

Still, I do <u>not</u> think it is in our overall interest to reverse positions on the hospital. Such a reversal would only intensify the view, particularly on Capitol Hill, that the Administration is prone toward complete changes in position as soon as the going gets tough. Recently, of course, we have gone to great lengths to change that perception. To make a complete change on Camden, because of political pressures, would surely not help our efforts to project an Administration which holds to its positions.

In sum, while I realize that there would be short-term political benefits in New Jersey if we changed our position, I do not feel that those short-term benefits outweigh the longer-term problems I have just mentioned. I do believe, however, that the position-reversal problem could be handled if the New Jersey delegation agreed to the compromise suggested by Jack and Frank.

Vero late when

I recommend, therefore, that Frank attempt to determine if Williams and Florio will accept the compromise as their final position; if so, we should proceed with the modification. It seems unlikely, though, that they will accept any offer other than a complete reversal, since Congress is apparently going to vote such a change regardless of our position. If our offer is rejected, I recommend that we hold firm with our initial position.

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THE WHITE HOUSE WASHINGTON

May 12, 1978

Bob Lipshutz

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

THE WHITE HOUSE

WASHINGTON

May 5, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ PA

AF

RE:

Proposed Executive Order: "Functions Relating to Nuclear Non-Proliferation"

The attached proposed Order implements certain provisions of the Nuclear Non-Proliferation Act of 1978. The Act gives a number of new responsibilities to the President and the Order delegates certain of these responsibilities to the Secretary of Energy, Secretary of State, and the Secretary of Commerce. The principal delegations are to Energy and State. The Order provides for coordination between all affected agencies, particularly Energy and State.

The Order is structured so that the President retains all options for dealing with the legislative veto provisions of the Act, which you have already indicated are unconstitutional. The Order also retains for the President responsibility for deciding certain other key policy matters:

- whether to override a licensing decision by the Nuclear Regulatory Commission;
- o whether to waive the "full-scope safeguards" export licensing criteria;
- whether to invoke or waive the sanctions provisions of the Act;
- approval of Agreements for Peaceful Nuclear Cooperation, and decisions about possible exceptions from the requirements for those agreements.

We recommend that you sign the attached Order.

	•
Approve	Disapprove



EXECUTIVE ORDER

FUNCTIONS RELATING TO NUCLEAR NON-PROLIFERATION

By virtue of the authority vested in me by the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242, 92 Stat. 120, 22 U.S.C. 3201) and the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011 et seq.), and Section 301 of Title 3 of the United States Code, and as President of the United States of America, it is hereby ordered as follows:

Section 1. <u>Department of Energy</u>. The following functions vested in the President by the Nuclear Non-Proliferation Act of 1978 (92 Stat. 120, 22 U.S.C. 3201), hereinafter referred to as the Act, and by the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011 <u>et seq</u>.), hereinafter referred to as the 1954 Act, are delegated or assigned to the Secretary of Energy:

- (a) That function vested by Section 402(b) of the Act (92 Stat. 145, 42 U.S.C. 2153a).
- (b) Those functions vested by Sections 131a(2)(G), 131b(1), and 131f(2) of the 1954 Act (92 Stat. 127, 42 U.S.C. 2160).
- (c) That function vested by Section 131f(1)(A)(ii) of the 1954 Act to the extent it relates to the preparation of a detailed generic plan.
- Sec. 2. <u>Department of State</u>. The Secretary of State shall be responsible for performing the following functions vested in the President:
- (a) Those functions vested by Sections 104(a), 104(d), 105, 403, 404, 407, and 501 of the Act (92 Stat.

- 122, 123, 123, 146, 147, 148, and 148, 22 U.S.C. 3223(a), 3223(d), 3224, and 42 U.S.C. 2153b, 2153c, 2153e, and 22 U.S.C. 3261).
 - (b) That function vested by Section 128a(2) of the 1954 Act (92 Stat. 137, 42 U.S.C. 2157(a)(2)).
 - (c) That function vested by Section 601 of the Act to the extent it relates to the preparation of an annual report.
 - (d) The preparation of timely information and recommendations related to the President's functions vested by Sections 126, 128b, and 129 of the 1954 Act (92 Stat. 131, 137, and 138, 42 U.S.C. 2155, 2157, and 2158).
 - (e) That function vested by Section 131c of the 1954 Act (92 Stat. 129, 42 U.S.C. 2160(c)); except that, the Secretary shall not waive the 60-day requirement for the preparation of a Nuclear Non-Proliferation Assessment Statement for more than 60 days without the approval of the President.
 - Sec. 3. <u>Department of Commerce</u>. The Secretary of Commerce shall be responsible for performing the function vested in the President by Section 309(c) of the Act (92 Stat. 141, 42 U.S.C. 2139a).
 - Sec. 4. <u>Coordination</u>. In performing the functions assigned to them by this Order, the Secretary of Energy and the Secretary of State shall consult and coordinate their actions with each other and with the heads of other concerned agencies.
 - Sec. 5. General Provisions. (a) Executive Order No. 11902 of February 2, 1976, entitled "Procedures for an Export Licensing Policy as to Nuclear Materials and Equipment," is revoked.

(b) The performance of functions under either the Act or the 1954 Act shall not be delayed pending the development of procedures, even though as many as 120 days are allowed for establishing them. Except where it would be inconsistent to do so, such functions shall be carried out in accordance with procedures similar to those in effect immediately prior to the effective date of the Act.

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THE WHITE HOUSE,